



ANNEX CLOUD



**Retain Your Most
Valuable Customers**

Failing to retain your most valuable customers can prove disastrous for any brand. Personalization has turned out to be a highly effective strategy to keep your most valuable customers. In this whitepaper, we will discuss the importance of personalization and the diverse ways brands can leverage it to boost customer retention and prevent their most valuable customers from leaving.

So, What Makes Personalization Critical for Brands Today?

Providing exceptional treatment to your most valuable customers is an effective way to discourage them from switching to your competitor. Personalization works on the same principle, providing a solid framework for brands to make their customers feel special. Personalized recommendations, personalized communication, etc. work collectively to create a positive impression on your customers. Let's dive into some statistics from recent surveys that support the undeniable potential of personalization for brands today:

59%

of customers reported that personalization made an impact on their purchasing decisions

[Source: Infosys]

31%

of customers expect a more personalized shopping experience compared what it actually is

[Source: Infosys]

74%

of customers experience frustration when they discover that their visited website content isn't personalized

[Source: Infosys]

78%

of customers said they would consider new offers made to them if the offers were personalized, per the previous transactions

[Source: Marketo]

79%

of companies exceeding their revenue goals had a documented personalization strategy in place

[Source: Monetate]

81%

of customers want brands to know them better and to understand when to approach them with offers

[Source: Accenture]

85%

of customers said personalized homepage promotions influenced them to make a purchase

[Source: Kibo]

Focusing solely on the quality of their product/service is a mistake. Brands neglect the bigger picture when devising a strategy like this. However, investing in personalization has a lot to do with considering the customers' needs and expectations as a whole.

The direct relationship between customer engagement and customer retention can be explained by the fact that the latter should automatically gain a boost by raising the former. Personalization serves as a more solid approach to connect with customers at a closer level. It involves the deployment of methods leading to the establishment of stronger relationships with customers and much more. Personalization helps brands leverage the best of emotional loyalty by forging relations and building strong trust.

Transforming things from the "one-size-fits-all" approach to a uniquely designed, tailored approach lies at the core of personalization. Following a personalized approach provides an array of benefits for brands. To leverage the full potential of personalization, brands need to make substantial efforts in specific areas. Let's explore some other reasons why brands need to shift their current focus to personalization:

Personalization Drives Impulse Purchases

"Nearly half of customers said they purchased products outside of their preference because of a personalized recommendation they received from a brand" [Source: Business Insider]. Adopting personalization does bear the potential to sway customers' minds to attract favorable returns for the brand.

Personalization Fosters Customer Loyalty

Do you know 44% of customers said they are likely to go for repeat purchases after a personalized shopping experience? Loyalty goes hand in hand with personalization.

[Source: Segment]

Personalization Increases Brand's Revenue

43% of US customers said they have shopped for more expensive products than planned because a brand provided them with personalized service. [Source: Segment] This demonstrates how personalization can become a quick revenue generator for brands that implement it correctly.



How to Leverage Personalization for Retaining your Valuable Customers?

Personalization holds the key to keeping your valuable customers. The focus however, needs to be on leveraging the most effective ways of personalization that are proven and help build a solid customer retention base.

Here's a comprehensive overview of how leveraging personalization works:

1. Make a Solid Impression with Personalized Communication

Sending the right message to your customers involves using the correct tone and crafting content that connects well with their emotions. It's only through personalization that this can become possible; hence sending personalized communication needs to be one of the key strategies brands adopt. Email forms the most common means for customer communication, and email personalization has a lot to offer. Though email personalization is much more than merely using a customer's name in the subject line, an email with a perfectly personalized subject line is more likely to get opened and read. Email segmentation and behavior-triggered emails are two of the most effective email personalization strategies, enabling brands to impress and retain their customers by facilitating powerful personalized email communication.

2. Customer-Centric Personalized Service Can Work Wonders

Providing personalized service goes a long way in making customers feel you understand them. Consider an example of a hotel brand that keeps track of what their specific customers

prefer, from a particular newspaper to room amenities preference, and utilizes this info to deliver what the customers want. Such personalized service prompts your valuable customers to keep coming back to derive the same experience.

3. Sending Personalized Product Recommendations

Modern customers are always keen to grab the best deal and are naturally attracted to personalized offers. Sending personalized offers in the form of product recommendations will keep your customers even more excited about your brand.

4. Personalizing the Elements on Your Website

Providing personalized website content can work wonders for your business. Personalized websites offer the potential to bring in a significant increase in customer response rates – up to almost 400% – depending on personalization efficacy. [Source: IBM] It's easy to personalize nearly every type of messaging content for a specific viewer, provided you have accurate details about that viewer.

5. Personalizing Social Interactions with Users

Typically, personalizing social media communication requires you to interact with individual accounts. You can respond directly to your customers' social media messages and mention them in your posts to make them feel more valued and connected to your brand. Moreover, using social media features like Custom Audiences and Tailored Audiences, you can target your ads to your desired or targeted audience.

A Well-Designed Personalization Strategy Demands Thorough Analysis of Comprehensive Customer Data

If brands are committed to delivering on customers' personalization expectations and want to retain their valued customers, they need to take a detailed look into the available customer data. Comprehensive data holds enormous potential in unlocking a customer's specific preferences.

Various reputed global brands are already leveraging their customer data to gain insights that further help them with their personalization strategy. For example, Amazon recommends products and books based on previous purchases or browsing patterns. Netflix suggests movies and TV shows to its digital audience based on the content consumption patterns they follow. These are just a couple of examples of how brands utilize their customer data to provide personalized offers and enhanced customer experience. Besides

boosting sales, personalized recommendations make customers feel that their chosen brand pays attention to their preferences.

Though brands may face some challenges in implementing personalization, the ones that succeed in tackling them can stay connected with their customers longer. Restrictions vary from ineffective efforts in analyzing customer data to inability to implement the strategy, etc.

The Perfect Time for Leveraging the Incredible Potential of Personalization Is Now, Not Later!

If you haven't leveraged personalization, your customers may not have gained the specific experience to take action that favors your brand growth. Always remember that a one-size-fits-all approach won't work if you are looking to accelerate growth. Providing a personalized experience to your customers prompts them to make repeat purchases and stay loyal to your brand. If you have not invested in personalization yet, then it's time to do so if you'd like to gain a competitive edge and retain your most valuable customers.

